

Finance Committee Meeting
Tuesday, December 6, 2022 5:00 PM
Crete City Hall
243 E 13th Street
Crete, NE 68333

1. Open Meeting

- In accordance with Nebraska law, a copy of the Open Meetings Act can be found in the back of the Council Chambers.
- Items listed on the agenda may be considered in any order.

2. Roll Call

- Attendance of members will be recorded to determine the presence of a quorum for official actions.

3. Items of Business

- The Committee may discuss or limit discussion on, hear testimony in favor of or in opposition to, or take action to provide a recommendation to the City Council on any matter presented under this title.

3.A. Provide a recommendation to the City Council on a quote from the League Insurance Government Health Team (LIGHT) for employee health insurance. Representatives from Benefit Management will be present to discuss.

3.B. Consider a recommendation to the City Council approving Resolution 2022-14; A resolution authorizing the Mayor to execute an interlocal agreement and membership agreement with the League Insurance Government Health Team (LIGHT)

4. Officers' Reports

- Reports may be given by the Mayor, Officers, Departments, or Councilmembers concerning the current operations of the City.
- No action can be taken on matters presented under this title except to answer any questions or to refer the matter for further action.

5. Adjournment

Disclaimers & Notices

- The Council may enter into closed session to discuss any matter on this agenda when it is determined that a closed session is clearly necessary for the protection of the public interest or the prevention of needless injury to the reputation of an individual (if such individual has not requested a public meeting) or as otherwise allowed by law. Any closed session shall be limited to the subject matter for which the closed session was called. If the motion to close passes, then immediately prior to the closed session the Mayor shall restate on the record the limitation of the subject matter of the closed session.
- The City of Crete assures that no person shall on the grounds of race, color, national origin, age, disability, handicap or sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity of the City receiving Federal financial assistance. To report discrimination, contact the City Clerk's office.
- The complete agenda with attachments is available at www.crete.ne.gov.



CITY OF CRETE

MEDICAL SUMMARY

Effective: 1/1/2023



Proposal Type	CURRENT	CURRENT	PROPOSED	PROPOSED
Carrier	BCBSNE	BCBSNE	BCBSNE	BCBSNE
Note	HSA - Embedded		HSA - Embedded	
Plan Name	BlueFreedom - Option 18 w/Rx1	BlueFreedom - Option 58 HSA	LIGHT - Copay Option 1 - \$1000	LIGHT - HSA Option 3 - \$3,500
Option Type				
Network	In Network	In Network	In Network	In Network
Deductible - EE	\$1,000	\$3,500	\$1,000	\$3,500
Deductible - Family	\$2,000	\$7,000	\$2,000	\$7,000
Coinsurance	80%	80%	80%	80%
Out of Pocket Max	\$2,000	\$5,500	\$2,000	\$5,500
Out of Pocket Max - Family	\$4,000	\$11,000	\$4,000	\$11,000
Physician/Specialist Copay	\$30/\$45	Ded then 20%	\$30/\$45	Ded then 20%
Copay Note				
Standard Telehealth Copay	\$10	Ded then 20%	\$10	Ded then 20%
Urgent Care Copay	\$60	Ded then 20%	\$60	Ded then 20%
Emergency Room Copay	Ded then 20%	Ded then 20%	Ded then 20%	Ded then 20%
X-Ray/Lab	Ded then 20%	Ded then 20%	Ded then 20%	Ded then 20%
Major Diagnostic (MRI,CT,etc.)	Ded then 20%	Ded then 20%	Ded then 20%	Ded then 20%
Prescriptions(Rx)	\$10/\$30/\$50	Ded then 20%	\$10/\$30/\$50	Ded then 20%
Specialty Rx	\$100	Ded then 20%	\$100	Ded then 20%
Rx Notes	Option 1			
Provider Network	NETwork BLUE	Network BLUE	NETwork Blue	NETwork Blue
Employee	8 \$907.10	14 \$686.12	8 \$824.15	14 \$631.48
Employee + Spouse	3 \$1,859.56	4 \$1,406.55	3 \$1,689.51	4 \$1,294.53
Employee + Child(ren)	0 \$1,587.43	4 \$1,200.71	0 \$1,442.26	4 \$1,105.09
Employee + Family	3 \$2,630.57	10 \$1,989.75	3 \$2,390.04	10 \$1,831.29
Employee Total	\$12,699.40	\$21,955.84	\$11,538.10	\$20,207.36
Dependent Total	\$8,027.79	\$17,976.38	\$7,293.75	\$16,544.74
Combined Monthly Total		\$60,659.41		\$55,583.95
% Variance				-8.37%

Rates and benefits are illustrative only and represent only a brief summary of the plan highlights. Final rates will be determined from effective date, actual enrollment and/or health conditions.

*Please refer to the benefit summary for more specific details regarding this benefit.

^Please refer to the carrier proposal and/or benefit summary for more specific details.

CITY OF CRETE

MEDICAL SUMMARY

Effective: 1/1/2023



Proposal Type	PROPOSED		PROPOSED		PROPOSED		PROPOSED	
Carrier	AETNA		AETNA		UHC		UHC	
Note							HSA - Embedded	
Plan Name	AFA CPOSII \$1,000 80%		AFA CPOSII HSA \$3,750 80%		BY-P2 \$1,000 100% w/BT		AE-30 HSA \$3,500 80% w/3G	
Option Type	*SF* - SPEC: \$20K UW		*SF* - SPEC: \$20K UW					
Network	In Network		In Network		In Network		In Network	
Deductible - EE		\$1,000		\$3,750		\$1,000		\$3,500
Deductible - Family		\$2,000		\$7,500		\$2,000		\$7,000
Coinsurance		80%		80%		100%		80%
Out of Pocket Max		\$4,500		\$6,900		\$4,000		\$6,350
Out of Pocket Max - Family		\$9,000		\$13,800		\$8,000		\$12,700
Physician/Specialist Copay		\$25/\$75		Ded then \$35/\$75		\$10/\$40*		Ded then 20%
Copay Note						<19 No PCP Copay		
Standard Telehealth Copay		\$25		Ded then \$35		\$0		Ded then 20%
Urgent Care Copay		\$75		Ded then 20%		\$50		Ded then 20%
Emergency Room Copay		\$500		Ded then 20%		\$300		Ded then 20%
X-Ray/Lab		Ded then 20%		Ded then 20%		Ded then 0%		Ded then 20%
Major Diagnostic (MRI,CT,etc.)		Ded then 20%		Ded then 20%		Ded then 0%		Ded then 20%
Prescriptions(Rx)		\$3/\$10/\$45/\$75		Ded then \$3/\$15/\$50/\$100		\$10/\$35/\$60/\$100		\$10/\$35/\$60
Specialty Rx		20% to \$250/40% to \$500		Ded then 20% to \$250/40% to \$500*		Refer to Formulary		Refer to Formulary
Rx Notes								
Provider Network		Aetna Choice POS II		Aetna Choice POS II		Choice Plus		Choice Plus
Employee	8	\$1,086.16	14	\$761.82	8	\$832.87	14	\$621.55
Employee + Spouse	3	\$2,206.89	4	\$1,536.77	3	\$1,707.38	4	\$1,274.18
Employee + Child(ren)	0	\$2,072.34	4	\$1,443.74	0	\$1,457.52	4	\$1,087.71
Employee + Family	3	\$3,428.32	10	\$2,381.34	3	\$2,415.32	10	\$1,802.50
Employee Total		\$15,206.24		\$24,378.24		\$11,660.18		\$19,889.60
Dependent Total		\$10,388.67		\$22,022.68		\$7,370.88		\$16,284.66
Combined Monthly Total				\$71,995.83				\$55,205.32
% Variance				18.69%				-8.99%

Rates and benefits are illustrative only and represent only a brief summary of the plan highlights. Final rates will be determined from effective date, actual enrollment and/or health conditions.

*Please refer to the benefit summary for more specific details regarding this benefit.

^Please refer to the carrier proposal and/or benefit summary for more specific details.

RESOLUTION NO. 2022-__

A RESOLUTION OF THE CITY OF CRETE, NEBRASKA AUTHORIZING MEMBERSHIP IN THE LEAGUE INSURANCE GOVERNMENT HEALTH TEAM.

WHEREAS, the City of Crete and various member communities of the League of Nebraska Municipalities have discussed the establishment of an insurance health team specifically for Nebraska municipalities;

WHEREAS, as a result of these discussions, the League of Nebraska Municipalities has created the League Insurance Government Health Team (LIGHT) for the purpose of providing insurance coverage to municipal employees; and

WHEREAS, the City Council has reviewed the financial information related to the proposed health insurance plans and has determined that participating in the League Insurance Government Health Team is in the best interests of the City and its officers and employees.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CRETE, NEBRASKA:

Section 1. That the City shall enter into the League Insurance Government Health Team Interlocal Agreement and the Mayor is hereby authorized to execute the Interlocal Agreement.

Section 2. That the City shall enter into the League Insurance Government Health Team Membership Agreement and the Mayor is hereby authorized to execute the Membership Agreement.

Section 3. That the Mayor shall have the authority to execute such other documents and take any other actions as may be necessary and appropriate to effectuate the City's membership in the League Insurance Government Health Team and to obtain coverage for municipal officers and employees through any of its negotiated health plans.

PASSED AND ADOPTED the 6th day of December 2022.

Mayor

ATTEST:

City Clerk

**LEAGUE INSURANCE GOVERNMENT HEALTH TEAM
INTERLOCAL AGREEMENT**

This Interlocal Agreement (the “Agreement”) is made and entered into by and among the undersigned municipalities of the State of Nebraska (each a “Member”) for formation of, and participation in, the League Insurance Government Health Team (“LIGHT”) and the LIGHT Member Health Plan (the “Plan”). Membership in the League Insurance Government Health Team shall make health insurance coverage available for the Members’ eligible employees and dependents who participate in the Plan. This Agreement is based upon certain understandings and in furtherance of certain purposes, as follows:

WHEREAS, the Interlocal Cooperation Act, Neb. Rev. Stat. §§ 13-801 et seq., (“ICA”) permits two or more public agencies to make and execute an agreement providing for joint and cooperative actions;

WHEREAS, if applicable, the Intergovernmental Risk Management Act, Neb. Rev. Stat. §§ 44-4301 et seq. (“IRMA”) permits two or more public agencies to make and execute an agreement providing joint and cooperative action to form, become members of, and operate a risk management pool for the purpose of providing to members risk management services and insurance coverages in the form of group self-insurance or standard insurance, including any combination of group self-insurance and standard insurance, to provide health, dental, accident, and life insurance member’s employees and officers;

WHEREAS, the Members have determined the need to join together to provide for group health insurance for the Members’ employees and their dependents;

WHEREAS, the Members have determined it is in the best interests of the Members’ employees to establish a group health plan in order to provide affordable health insurance to Members’ employees and their dependents; and

WHEREAS, the Members desire to make and to execute an agreement providing for joint and cooperative action for the purpose of providing health insurance coverage for Members’ employees and their dependents.

NOW THEREFORE, in consideration of the foregoing and the respective mutual promises contained herein, the undersigned parties agree as follows:

1. Definitions.

1.1. “**Administrator**” shall mean an individual, partnership, corporation, or unincorporated association engaged by the League Insurance Government Health Team for the purposes of carrying out the policies established by the League Insurance Government Health Team Board and to provide day-to-day management of the League Insurance Government Health Team. The League of Nebraska Municipalities shall be the Administrator of the Plan.

1.2. “**Board**” shall mean the Board of Directors of the League Insurance Government Health Team.

1.3. “**Bylaws**” shall mean the bylaws established and approved under this agreement governing the operation of the League Insurance Government Health Team.

1.4. “**Dental insurance**” shall mean a contractual arrangement to provide specified dental services, in consideration of a specified payment for an interval of time, regardless of whether the payment is made by the beneficiaries individually or by a third person for them, in such a manner that the total cost of such services is to be spread directly or indirectly among a group of persons.

1.5. “**Director**” shall mean the State of Nebraska Director of Insurance.

1.6. **“Health insurance”** shall mean any hospital, surgical, or medical expense-incurred policy or health maintenance organization contract. Health insurance does not include (a) accident-only, disability income, hospital confinement indemnity, dental, or credit insurance, (b) coverage issued as a supplement to liability insurance, (c) medicare or insurance provided as a supplement to medicare, (d) insurance arising from workers’ compensation provisions, (e) automobile medical payment insurance, (f) any other specific limited coverage, or (g) insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy.

1.7. **“League”** shall mean the League of Nebraska Municipalities.

1.8. **“League Insurance Government Health Team”** or **“LIGHT”** shall mean the entity established and operated under this Agreement.

1.9. **“Member”** shall mean a Municipality (a) whose application for membership in the League Insurance Government Health Team has been approved by the League, and (b) that has lawfully entered into this Agreement and into the League Insurance Government Health Team membership agreement.

1.10. **“Municipality”** shall mean any city or village in the State of Nebraska that is a dues-paying member in good standing with the League.

1.11. **“Public agency”** shall mean any county, city, village, school district, public power district, rural fire district, or other political subdivision of the State of Nebraska, the State of Nebraska, the University of Nebraska, and any corporation whose primary function is to act as an instrumentality or agency of the State of Nebraska.

1.12. **“Risk management pool”** shall mean an association formed by two or more public agencies by an agreement, pursuant to IRMA if applicable, providing for joint and cooperative action in the use of their financial or administrative resources in order to accomplish any of the public and governmental purposes authorized by state or federal law.

1.13. **“Standard insurance”** shall mean any policy of insurance issued by a company licensed to transact insurance business in the State of Nebraska for any policy of insurance issued in accordance with the requirements for a lawful surplus lines insurance transaction.

2. Establishment of LIGHT. All Members who execute this Agreement hereby, pursuant to the applicable provisions of ICA, jointly and cooperatively establish the League Insurance Government Health Team as a separate entity, with all the rights, powers and privileges vested in and conferred such entity as set out in this Agreement and under the laws of the State of Nebraska. The League Insurance Government Health Team will provide health insurance coverage for its membership’s employees and their dependents in the form of standard insurance. The membership of the League Insurance Government Health Team consists of those Municipalities which have entered into this Agreement. The League Insurance Government Health Team shall have perpetual duration unless or until terminated or dissolved pursuant to the terms of this Agreement or its Bylaws, or in accordance with IRMA (as applicable) or ICA, or as otherwise required by law.

3. Purpose and Duration. The purpose of this Agreement is to establish and to operate a group health insurance plan through a standard insurance policy for the benefit of Members’ employees and their dependents. This Agreement shall be for an unlimited duration until formally terminated as provided herein.

4. Powers. In order to carry out this purpose, the League Insurance Government Health Team shall exercise and enjoy all the powers, privileges and authority exercised or capable of exercise by a joint entity under ICA, constituting a separate public body politic under the laws of the State of Nebraska, exercising public powers and acting on behalf of the public agencies which are parties to this Agreement as set out by law.

If applicable, the League Insurance Government Health Team shall exercise and enjoy all the powers, privileges and authority exercised or capable of exercise by a pool created pursuant to IRMA, including, but not limited to, the power to issue bonds or other obligations on behalf of public agencies or to otherwise assist in the issuance by such public agencies of such obligations; provided, however, that nothing herein shall prevent any of the parties hereto from separately exercising any such powers, privileges or authority. The League Insurance Government Health Team shall specifically have the power to sue and be sued, make contracts and other instruments necessary or convenient to the exercise of its powers, hold and dispose of real and personal property, borrow money, contract debt, and pledge any assets in the name of the League Insurance Government Health Team.

5. Financial Plan. The League Insurance Government Health Team shall sponsor a fully-insured group health insurance plan through a standard insurance policy that provides coverage to Members' employees and the employees' dependents. The Board, on behalf of the League Insurance Government Health Team and its constituent Members, shall enter into a contract, or renew an existing contract, with a company licensed to transact insurance business in the State of Nebraska on an annual basis for health insurance. Each Member will be required to complete a subgroup application in order to participate in a League Insurance Government Health Team-sponsored plan. Each Member shall make payment of premiums and any fees for Plan coverage and/or any other fees approved by the Board to fund the operation of the League Insurance Government Health Team, pursuant to the terms and conditions of the (a) LIGHT membership agreement and (b) subgroup application, master group application, and/or master group contract or other relevant documentation required by the insurance company providing the policy for health insurance coverage for the Plan. The League Insurance Government Health Team shall ensure that the Plan receives documentation from the insurance company setting forth the types of coverage to be offered and applicable deductible levels. The Board will review annually the necessity of maintaining cash reserves, additional standard insurance, or excess insurance, taking into account the fully-insured nature of League Insurance Government Health Team-sponsored plan.

6. Plan of Management.

6.1. Board of Directors. The governing authority of the League Insurance Government Health Team shall be a Board of Directors consisting of a minimum of five and maximum of fifteen elected or appointed officials of Members. In addition, the Board shall include the Executive Director of the League as an ex-officio, non-voting member. The initial Board of Directors shall be composed of an elected or appointed official from five municipalities which executed the Interlocal Agreement prior to July 1, 2022, each of whom shall be approved as a Director by the respective governing body of the participating Member. The number and tenure of directors of the Board shall be as provided in the Bylaws; provided that, in no event shall the number of directors of the Board be less than the requisite number of directors needed to transact the business of the League Insurance Government Health Team.

6.2. Board of Directors Duties.

(a) The Board shall be responsible for entering into negotiations and negotiating with one or more insurance companies for the provision of health insurance coverage on behalf of the Members. The Board shall be responsible for entering into one or more agreements with insurance companies for the provision of health coverage.

(b) The Board shall be responsible for managing the property, business, and affairs of any League Insurance Government Health Team-sponsored plans, including the establishment and maintenance of a budget.

(c) The Board shall take all necessary precautions to safeguard the assets of the League Insurance Government Health Team and exercise fiduciary duties concerning those assets and the overall operations of the League Insurance Government Health Team.

(d) The Board shall make and enter into any and all contracts, leases, and agreements necessary or desirable for the administration and management services to carry out any of the powers granted or duties imposed under this Agreement or any applicable law or regulation.

(e) The Board shall establish the duties and responsibilities of the Administrator and any delegation of its duties to the Administrator.

(f) The Board shall select and contract, either directly or indirectly, with service providers, including but not limited to insurance brokerage firm(s), accounting firm(s), legal counsel, consultants, and other qualified service providers or advisors as deemed necessary by the Board to carry out the intent and purposes of the League Insurance Government Health Team.

(g) The Board may adopt bylaws pertaining to the exercise of its purpose and powers (the "Bylaws"). The Board may, from time to time, revise the Bylaws. The Board may also from time to time adopt policies, rules and procedures for the administration and operation of the League Insurance Government Health Team, by majority vote of the Board, so long as such policies, rules, and procedures are not inconsistent with this Agreement or the Bylaws. No provisions of the Bylaws, policies, rules or procedures shall be inconsistent with this Agreement, the ICA, or, if applicable, IRMA.

(h) The Board may exercise such other powers as are necessary for the proper operation of the League Insurance Government Health Team to carry out the terms of this Agreement and to comply with ICA, IRMA (if applicable), rules and regulations adopted under either ICA or IRMA (if applicable), and any other applicable State or Federal laws, rules or regulations, and the League Insurance Government Health Team Bylaws.

6.3. Membership Procedures.

(a) Application. A Municipality may apply to become a Member of the League Insurance Government Health Team by completing and submitting a League Insurance Government Health Team membership agreement. The applicant must also provide all information required by the insurance company providing the policy for health insurance coverage at the time of application, including any required subgroup application. If the applicant (i) meets the eligibility requirements as set out in the League Insurance Government Health Team membership agreement, (ii) enters into this Agreement and the League Insurance Government Health Team membership agreement by resolution passed by its governing body, and (iii) provides all documentation and forms to the insurance company providing the policy for health insurance coverage at the time of application, the applicant will become a Member upon the League's approval of the Municipality's eligibility as set out in the League Insurance Government Health Team membership agreement and upon the execution of this Agreement by the Board.

(b) Voluntary Termination. A Member may voluntarily terminate its participation in the League Insurance Government Health Team by written notice of termination given to the League Insurance Government Health Team prior to the desired termination date and in compliance with the timeframe stipulated by the insurance company providing the policy for health insurance coverage at the time of termination. Members seeking to voluntarily terminate participation shall comply with all notice requirements contained in IRMA, if applicable.

(c) Involuntary Termination. A Member may be involuntarily terminated as a Member of the League Insurance Government Health Team if, after due notice and hearing, the Board (or relevant regulatory authority) determines that: (i) the Member has failed to pay any contribution or assessment to the League Insurance Government Health Team; (ii) the Member has failed to discharge any other obligation it owes to the League Insurance Government Health Team; or (iii) the Member has failed to comply with the laws of the state, rules of the Department of Insurance, or bylaws of the League Insurance Government Health Team.

(d) Effect of Termination. A former Member shall remain liable for any costs and obligations

incurred by the League Insurance Government Health Team while the Municipality was a Member, and for any contractual obligation the Municipality has entered into with the League Insurance Government Health Team on or before the date of termination. A former Member who has terminated participation in the League Insurance Government Health Team, or whose participation is involuntarily terminated pursuant to this Section 6.3, may apply for participation in the League Insurance Government Health Team after the lapse of 24 months following the date of cancellation.

6.4. Funds and Reserves by Exposure Area. The Board shall review appropriate actuarial analyses to identify appropriate funds and reserves by exposure area, as applicable. Each Member must make payment of its premiums and any fees for the League Insurance Government Health Team-sponsored coverage pursuant to the terms and conditions of the (a) LIGHT membership agreement, and (b) subgroup application, master group application, master group contract, or other relevant documentation required by the insurance company providing the policy for health insurance coverage for the Plan.

6.5. Claim Payment. All claims shall be paid pursuant to the standard insurance policy issued by a company licensed to transact insurance business in the State of Nebraska for health insurance and in accordance with any master group application, master group contract, and/or other relevant documentation issued by the insurance company providing the policy for health insurance coverage for the Plan and entered into by the League Insurance Government Health Team for the benefit of its membership.

6.6. No Private Benefit. No part of the net earnings or assets of the League Insurance Government Health Team shall inure to the benefit of any private person.

6.7. Distribution of Surplus at Dissolution. At the dissolution of the League Insurance Government Health Team's existence, any surplus funds over and above those necessary to pay or reserve against the expenses and liabilities of the League Insurance Government Health Team shall vest in and be distributed among the Members. Such distribution shall be allocated among Members in proportion to the contributions made by each Member.

6.8. Loss Control Program. To the extent applicable and necessary, the Board shall approve a system or program of controlling Member losses.

7. Dissolution. The League Insurance Government Health Team shall only be dissolved at such time as (a) the Board determines that the number of Members is too small to continue to provide coverage, (b) the Board is unable to secure a policy of insurance on behalf of the Members, or (c) in the event the League's Executive Board withdraws its support. The Board shall be responsible for all actions necessary to dissolve the League Insurance Government Health Team, in compliance with and as required by law. Upon the occurrence of an event of dissolution, to the extent required by law, the Board shall place the matter before the Members for a vote.

8. Banking Relationships. The League Insurance Government Health Team shall establish bank accounts necessary to carry out the terms and meet the operational needs of this Agreement. Controls shall be established and funds shall be invested so that the League Insurance Government Health Team is managed in a conservative and prudent manner.

9. Member Examinations and Audits. The League Insurance Government Health Team may examine and audit a Member's records at any time during the period this Agreement is in effect, and during any extensions hereof, and within three years after such Member is no longer a Member of the League Insurance Government Health Team, insofar as the records may relate to the subject matter of this Agreement.

10. Place of Business. The principal place of business for the League Insurance Government Health Team shall be 1335 L Street, Lincoln, Nebraska 68508 or at such other place as determined by the Administrator. Notice provided via United States Postal Service by a member to the League Insurance Government Health Team at this address shall be considered proper notice to the League Insurance Government Health Team and all participating

members of the League Insurance Government Health Team. The Administrator may employ necessary staff for the positions authorized by the Board; the Administrator also may purchase, lease, or rent real or personal property with the approval of the Board in order to carry out the business and purpose of the League Insurance Government Health Team.

11. Conformity with Law. In the event any term or provision of this Agreement is in conflict with the laws and statutes of the State of Nebraska as they now exist or are hereafter amended, this Agreement shall be automatically deemed amended to conform to such laws and statutes.

12. Fiscal Year. For the initial year in which the League Insurance Government Health Team is formed, the fiscal year shall begin on July 1, 2022 and end on September 30, 2022. Thereafter, the League Insurance Government Health Team's fiscal year shall begin on October 1 of each year and end on September 30 of the following year, unless determined otherwise by the Board.

13. Liability. No Member in the League Insurance Government Health Team shall, by reason of this Agreement, have any liability for claims brought by third parties against any other Member. The liability for any claim against a Member shall remain the sole and exclusive liability of the Member.

14. Termination of the Agreement. This Agreement shall terminate upon the occurrence of all of the following events: (a) the League Insurance Government Health Team has dissolved pursuant to Section 7; (b) all amounts owed by the Members have been paid in full; and (c) all amounts owed for claims and other expenses have been paid in full.

15. Execution in Counterpart. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth in the attached Resolutions and acknowledged below.

MEMBER MUNICIPALITY

Signature: _____

Title: _____

Name of Municipality: _____

Date: _____

LEAGUE INSURANCE GOVERNMENT HEALTH TEAM

Signature: _____
Chairperson, League Insurance Government Health Team

Date: _____

LEAGUE INSURANCE GOVERNMENT HEALTH TEAM MEMBERSHIP AGREEMENT

This Agreement is entered into by and between the League Insurance Government Health Team (“LIGHT”) and _____ (the “Member”), a Nebraska employer, for participation in LIGHT and the LIGHT Member Health Plan (the “Plan”), for coverage effective July 1, 2022. Membership in LIGHT shall make health insurance coverage available for the Member’s eligible employees and dependents who participate under the Plan. In consideration of mutual promises, the undersigned parties agree as follows:

Section 1. Membership. The undersigned employer hereby agrees to become a member of LIGHT (a “Member”) upon and subject to the terms and conditions of the League Insurance Government Health Team Interlocal Agreement (the “Interlocal Agreement”), Bylaws of LIGHT, and this Agreement for and during the term of this Agreement.

In order to qualify for membership, the undersigned employer represents that it meets all of the following qualifications:

- (i) Is a city or village in the State of Nebraska;
- (ii) Constitutes an employer as defined under ERISA § 3(5);
- (iii) Employs in the State of Nebraska at least one common law employee;
- (iv) Is a dues-paying member in good standing with the League of Nebraska Municipalities; and
- (v) Elects to participate in the Plan and executes a Plan subgroup application, which is incorporated by this reference.

Section 2. Agreement with Respect to Formation and Existence of LIGHT. The Member acknowledges and agrees that LIGHT is an entity that has been formed by constituent members, and as such, is and shall have such powers as are set forth its Interlocal Agreement and Bylaws.

Section 3. Member Obligations. For and during the Term of this Agreement, the Member agrees as follows:

- (i) To maintain its status as a qualified Member under the provisions of Section 1 of this Agreement and to notify the LIGHT Board of Directors as soon as the Member has knowledge that it no longer meets the qualifications under Section 1 of this Agreement;
- (ii) To comply with the Interlocal Agreement and Bylaws of LIGHT as the same now exist or may from time to time hereinafter be amended;
- (iii) To maintain a membership in good standing with the League of Nebraska Municipalities;
- (iv) To comply with all administrative requirements and procedures of the Plan, including, but not limited to, continuation coverage under state or federal law;
- (v) To notify the insurer timely and accurately within thirty (30) days of any change to the name; address; eligibility for coverage, including, but not limited to, any changes to the eligibility of a Member’s employee who fails to satisfy the “actively-at-work” requirement or minimum weekly working hours

requirement;¹ or other change to enrollment of the Member, the Member's employee, or the Member's employee's dependent;

(vi) To provide any and all data, documents, and information, including enrollment and eligibility information, which LIGHT, its agents, or its consultants may from time to time require in order for LIGHT to administer the Plan;

(vii) To cooperate with LIGHT in all matters related to LIGHT's administration of the Plan including, but not limited to, cooperating with any and all Plan audits by LIGHT or the insurer, and completing any and all certifications received by the Member from LIGHT or the insurer for the purpose of verifying a Member's eligibility, a Member's employee's eligibility, or a Member's employee's dependent's eligibility to participate in the Plan;

(viii) To comply with the terms and conditions of the Plan as the same may from time to time be amended and modified;

(ix) To make payment of premiums and any fees for Plan coverage or operational expenses pursuant to the terms and conditions determined by the insurer for the Plan;

(x) To make payment of any fees approved by the Board to fund the operation of LIGHT;

(xi) To distribute Plan documentation in the manner specified by law, LIGHT, and/or the insurer, as applicable, to Member's employees and dependents. The Member agrees to indemnify LIGHT, the Plan, the insurer and their employees, agents, directors, officers and assigns (collectively, the "Indemnitees") and to hold each of them harmless from any and all liabilities, claims, penalties, tax assessments or other obligations which may arise, directly or indirectly, from the Member's failure to comply with its obligations as set forth in this Section 3(xi);

(xii) To annually sign a subgroup application furnished by the Plan verifying compliance with Plan requirements;

(xiii) To authorize LIGHT to act as the Plan Sponsor for the Plan; and

(xiv) To authorize the League of Nebraska Municipalities to act as the Plan Administrator for the Plan.

Section 4. Services Provided by LIGHT. For and during the Term of this Agreement, LIGHT, acting as the agent for and on behalf of its Members, hereby agrees as follows:

(i) To enter into negotiations with one or more insurance companies for the provision of health, dental, or other insurance coverage;

(ii) To enter into one or more agreements with an insurer for the provision of health, dental, or other insurance coverage and to provide the Member with a copy of each said agreement and all amendments thereto as soon as is reasonably possible following their complete execution; and

(iii) To manage the property, business, and affairs of the Plan, including the administration of the Plan.

¹ The "actively at work" requirement shall be met under the following three circumstances: (1) the employee is actively performing the customary duties, responsibilities, and obligations of the role which the employee is employed to perform; (2) the employee is on leave under the Family and Medical Leave Act (FMLA), whether paid or unpaid; and/or (3) the employee is on an approved paid leave. The minimum weekly working hours requirement is waived for all periods in which the employee is on FMLA leave, but shall apply in all other circumstances, including periods of approved paid leave. Where an employee is on approved paid leave, to meet the minimum weekly working hours requirement, the employee must have available and use paid leave equal to or in excess of such requirement.

Section 5. Term and Termination

Section 5.1 Term. Subject to any Renewal Term(s) and unless sooner terminated as provided below, this Agreement shall be for a term commencing on July 1, 2022, and continuing thereafter until June 30, 2023 (the “Initial Term”). This Agreement shall renew automatically for subsequent one year terms (the “Renewal Term(s)”) unless and until (i) a new Agreement is required by LIGHT, (ii) this Agreement is terminated as provided herein, or (iii) notice of non-renewal is provided in accordance with Section 5.2 of this Agreement. The Initial Term and any Renewal Term(s) shall be referred to collectively herein as the “Term” or the “Terms.”

Section 5.2 Notice of Non-Renewal. Notwithstanding anything herein to the contrary, the Member may preclude the automatic renewal described in Section 5.1 of this Agreement by providing written notice to LIGHT at least thirty (30) days prior to the commencement of the Renewal Term.

Section 5.3 Termination. This Agreement may be terminated during its Term as follows:

(i) Voluntary Termination. At any time by mutual written consent of each of the parties, and in compliance with any timeframe stipulated by the insurance company providing the policy for health insurance coverage at the time of termination.

(ii) Involuntary Termination. After due notice and hearing, at any time upon the affirmative vote of a majority of LIGHT’s Board of Directors in the event the Member fails to pay any contribution or assessment to LIGHT, fails to meet the qualifications of Section 1 of this Agreement, fails to comply with the Member obligations of Section 3 of this Agreement, or fails to comply with the laws of the state, rules of the Nebraska Department of Insurance, or bylaws or Interlocal Agreement of LIGHT.

Section 5.4 Effect of Termination or Expiration on Plan Participation. Participation in the Plan will cease on the date this Agreement terminates or expires. The Member shall remain liable for any costs and obligations incurred by LIGHT while a Member, and for any contractual obligation the Member has entered into with LIGHT on or before the date of termination.

Section 6. Indemnification. The Member hereby agrees to indemnify and hold LIGHT and its officers, directors, employees, agents, and representatives harmless from any and all liabilities, losses, damages, penalties, fines, costs, or expenses (including without limitation court costs and reasonable attorneys’ fees) to the extent the same are incurred in connection with any demand, suit, audit, investigation, or other proceeding and arise out of or relate in whole or in part to: (i) any act or omission of the Member or any of its board members, officers, employees, agents, or representatives which occurs in the course of the Member’s performance of this Agreement; or (ii) failure by the Member to observe or perform any obligation, undertaking, or agreement required to be observed or performed by the Member pursuant hereto. The Member hereby further agrees to indemnify and hold the Plan, LIGHT, and LIGHT’s officers, directors, employees, agents, and representatives harmless from any and all liabilities, losses, damages, penalties, fines, costs, or expenses (including without limitation court costs and reasonable attorneys’ fees) to the extent the same are incurred in connection with any demand, suit, audit, investigation, or other proceeding, and arise out of, or relate in whole or in part to, or that occur as a result of the Member’s failure to comply with applicable law with respect to the Plan.

Section 7. Budgeting and Finance. The Board of Directors of LIGHT will establish a budget covering the operations of LIGHT each year, on an annual basis. LIGHT intends to obtain the funding for its budget through member fees. The Member acknowledges and agrees that LIGHT may collect such fees to cover its operational expenses in the amount, at the time, and in the manner determined by LIGHT’s Board of Directors. To facilitate planning, the estimated amount of funds required annually from each Member will be set by the Board and reflected on Exhibit “A” attached hereto and incorporated by this reference. To the extent the costs and expenses of operating LIGHT are not otherwise paid or provided by these sources, said costs and expenses will be financed by the Members and, unless otherwise agreed in writing, will be prorated based on the ratio of the

Member's number of participating employees (including the Member(s)) receiving coverage under the Plan for the immediately preceding calendar year to the aggregate number of total participating employees (including the Member(s)) receiving coverage under the Plan for such year.

Section 8. Amendment. This Agreement may be modified only by a written amendment duly executed by both the Member and LIGHT. No alteration or variation of the terms and conditions of the Agreement shall be valid or binding unless made in writing and signed by both the Member and LIGHT. Every amendment shall specify the date on which its provisions shall be effective.

Section 9. Assignment. Neither the Member nor LIGHT may assign or transfer any of its or their interest, rights, or duties under this Agreement to any person, firm, or entity without prior written consent of the other party to this Agreement, which consent may be granted or withheld by the other party in its sole discretion. In the absence of such written consent, any such assignment or attempted assignment shall be invalid and shall constitute a breach of this Agreement.

Section 10. Governing Law. This Agreement shall be subject to, governed by, and construed according to the laws of the State of Nebraska.

Section 11. Entire Agreement. This written Agreement represents the entire agreement of the parties with respect to the subject matter hereof, and any prior or contemporaneous representations, promises, or statements by the parties that are not expressly incorporated herein or therein shall not serve to vary, contradict, augment, modify, or supplement the terms set forth in this Agreement.

Section 12. Survival. All rights, remedies, obligations, and all covenants and agreements set forth in this Agreement which by their terms require or contemplate performance which is to extend or occur after the expiration or termination of the Agreement shall survive the termination or expiration of the Agreement and shall remain in effect and be enforceable as between the parties hereto in accordance with the terms.

Section 13. Counterparts. This Agreement may be executed in two (2) counterparts, each of which shall constitute an original, and all shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have signed this Agreement fully intending the same to be binding upon themselves and their respective trustees, receivers, successors and permitted assigns.

Employer Member

League Insurance Government Health Team

Name of Employer

By: _____
Signature

By: _____
Signature

Print Name and Title

Date

Print Name and Title

Date

EXHIBIT "A"
Member Fees

Pursuant to Section 7 of this Agreement, Member fees for the Plan Year beginning July 1, 2022 will be zero dollar (\$0.00) per month for each employee covered under the Plan. LIGHT will notify the Members of the amount of the Member fees determined by the Board prior to each subsequent Plan Year.